(b) The funds are released to the States on the basis of proposal received from them. There is a budget provision of Rs. 3.00 crores under the loan component of Project Package Scheme in 1994-95.

Impact of rise in yarn prices

1072. SHRI TRILOKI NATH CHATURVEDI:
DR. MURLI MANOHAR JOSHI:

Will the Minister of TEXTILES be pleased to state:

(a) whether the handloom sector has been facing a difficult situation because of steep rise in yarn prices; if so, what was the comparative prices of yarn, each quarter during 1992, 1993 and 1994;

(b) what are the reasons for the rise in the prices of yarn and what has been its effect on the weavers;

(c) whether it is a fact that the rise in the prices of yarn had also adversely affected the cotton garment exports, if so, to what extent; and

(d) what steps have been taken by Government to protect the interests of the weavers?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI G. VENKAT SWAMY): (a) Yes Sir. A statement indicatinv commpartative prices of hank yarn is attached. (*See* below).

(b) The major reason for rise in prices of yarn including hank-yarn has been due to rise in the prices of cotton resulting in temporary decline in demand for handloom cloth;

(c) No Sir.

(d) In order to protect the interest of the weavers, the following remedial measures have been taken:—

(i) Spinning Mills which do not fulfil the hank-yarn obligation are not allowed to export yarn;

(ii) Import of 30,000 MTs. of viscose staple fibre * concessional duty;

(iii) Imposition of selecting credit control on cotton trading;

(iv) Amendment of cotton control order for prescription of ceilings on stock of cotton;

(v) Supply of hank-yarn to handloom weavers through National Handloom Development Corporation Ltd. at mill-gate prices;

(vi) Supply of hank-yarn to handloom weavers at Rs. 8/- per kg. lower than the prices of January, 1994 by private sector and National Textile Corporation's spinning Mills;

(vii) Supply of 20 million kgs. of hank-yarn to handloom weavers at the subsidy of Rs. 15/- per kg.;

(viii) Import of duty-free cotton under OGL;

(ix) Release of cotton held by Cotton Corporation of India to National Textile Corporation, State Textile Corporations and Cooperative Spinning Mills for exclusive production of hank-yarn and;

(x) Issue of advance licences on the basis of specific input norms and exporters to import the raw material and also making available a special value-based advance licence for garment exporters.

Statement

Month end prices of Cotton Hank Yarn

(Rs. per kg.)

Counts	March 92	June 92	Sept. 92	Dec. 92	March 93	June 93	Sept. 93	Dec. 93	March 94	June 94
10	39.91	36.96	36.38	36.48	38.35	N.A.	N.A.	42.66	60.42	54.65
		(—7.4)	(—8.8)	(—8.6)	(—4.4)			(6.9)	(51.4)	(36.9)
	54.09	54.59	55.35	53.36	53.52	53.49	54.00	57.44	91.41	74.59
		(0.9)	(2.3)	(—1.4)	(—1.1)	(—1.1)	(—0.2)	(6.2)	(69.0)	(37.9)
30s	61.98	57.63	58.76	59.69	60.21	62.11	61.00	62.78	94.16	85.90
		(—0.7)	(—5.2)	(—3.7)	(—2.9)	(0.2)	(—1.6)	(1.3)	58.9	(38.6)
40s	67.27x	67.74	68.35	68.47	68.11	70.91	70.00	70.80	91.53	91.11
		(1.9)	(1.6)	(1.8)	(1.2)	(5.4)	(4.11)	(5.2)	(36.1)	(35.4)
60s Carded	88.53	90.17	88.52	90.26	88.74	94.19	91.00	87.65	108.13	112.95
		(1.9)	(—0.01)	(2.0)	(0.2)	(6.4)	(2.8)	(—1.0)	(22.1)	(27.6)
60s Combed	110.91	112.49	116.25	116.37	116.70	119.82	117.00	120.20	131.37	129.77
		(1.4)	(4.8)	(4.9)	(5.2)	(8.0)	(5.5)	(8.4)	(18.4)	(17.0)
60 Combed	132.48	137.38	140.36	140.69	141.00	149.90	143.00	148.54	163.00	161.48
		(3.7)	(5.9)	(6.2)	(6.4)	(13.1)	(7.9)	(12.1)	(23.0)	(21.9)
Ct. Average	60.49	63.03	63.69	63.06	63.31	70.03	69.06	66.87	88.26	80.99
		(4.2)	(5.3)	(4.2)	(4.7)	(15.8)	(14.2)	(10.5)	(45.9)	(33.9)

SOURCE : Office of the Textile Commissioner, Bombay.

NOTE : 1. Figures are exclusive of excise duty.
2. Figures in brackets indicate percentage variation over the prices of March '92.